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CENTRAL INTELLIGENCE AGENCY

REPORT NO.

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**INFORMATION REPORT**

CD NO.

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COUNTRY

East Germany/Hungary

DATE DISTR. 14 April 1953

25X1C SUBJECT

East German Planning for Hydrogenation Plant  
and Transport Equipment for Hungary

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SUPPLEMENT TO  
REPORT NO.

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This is unevaluated information

1. The Büro Kraftstoff und Industrie Entwurf (KI) was formerly affiliated with the Projektierung-Konstruktions und Montage-Büro (PKM) in Leipzig. Since 1 January 1953, however, it has been considered independent and has the designation PKM Hauptabteilung Berlin. PKM Berlin works only on projects for Hungary. Technical drawings have been submitted by factories which deliver machines and equipment for Hungary; VEB Gaselan and Bergmann-Borsig are among them.
2. Bergmann-Borsig is delivering the tank installations for the power-producing part of a hydrogenation plant but not ~~the~~ turbines. A group of engineers and workers from Bergmann-Borsig have been in Hungary since October 1952 doing pre-liminary work for establishing the tank installations. The hydrogenation plant is being erected in a little frequented area in the vicinity of a small village called Berenthé, about 70 kilometers from Budapest.
3. In Gaselan VEB, there is a department for the construction of hydrogenation installations. This department has been placed under PKM Berlin. The projects of this department have come to a standstill because of a lack of materials, especially plate. Of the total budget of 36,000,000 DME for Gaselan, 3,000,000 DME have been provided for the PKM department.
4. SAG Transmasch Bleichert in Leipzig is building transport and hauling equipment for Hungary. Bleichert also, however, is suffering a shortage of machine tools. From time to time special purchasing agents are provided with West Marks and sent to West Berlin to attempt to purchase machine tools and then to smuggle them across the sector border. If the purchasers succeed in fulfilling their commissions to the satisfaction of the plant management, they receive bonuses of up to 1,000 DM.

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- 2 -

25X1A 1. [REDACTED] Comment: VEB Mechanik Gaselan, Berlin, and VEB ERM Bergman-Borsig, Berlin.

25X1A 2. [REDACTED] Comment: Probably Berente, located 5 km west of Sajoszentpeter (R49/J89)

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